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REMARKS/ARGUMENTS

Favorable consideration of this application is respectfully requested. Applicant has amended claims 1, 16, 17, 18 and 27, canceled claims 7 and 25 and added new claims 28-30. Favorable reconsideration of this application is, consequently, earnestly solicited in view of the following remarks. Applicant thanks Examiner Cangialosi for the telephone interview on March 28, 2006. The claims have been amended as discussed during the interview. No new matter has been added.

During the telephone interview the Applicant discussed proposed amendments to claim 1 to further clarify that the escrow agent and the recipient, as described and claimed, are not functionally equivalent to intermediaries as believed by the Examiner. Instead, Examiner Cangialosi discussed broad limitations of claim 1 such as the use of the terms, sender, escrow agent and recipient and suggested that the term sender and recipient be replaced with a narrower limitation such as parent, child, employee, etc. While Applicant understands Examiner's suggestion, the suggestion in and of itself does not support the Examiner's belief that the escrow agent and the recipient are functionally equivalent.

In response to the non-final office communication dated January 6, 2006, Applicant herewith submits an Affidavit under 37 C.F.R. 1.132 to traverse Examiner's rejection which is based on Examiner's belief "that the escrow agent and those who receive the disbursements are functionally equivalent to intermediaries shown (networks controlling ATM or money servers)".

Rejection under 35 U.S.C. 112:

Claims 1-15 and 27 were rejected under 35 U.S.C. 112, first paragraph, as failing to comply with written description requirement. Examiner alleges that Applicant's added

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limitation to the claims reciting "without the use of a code provided by the sender to the recipient" is not supported by the written description. As noted by the Examiner, the written description of the subject application provides alternative steps for the recipient to follow in receiving the transferred funds. Examples of steps include:

1. Recipient enters CM(cash magic) card and PIN assigned to the CM card (page 6, lines 4-5).
2. Recipient can retrieve money via CM card, credit card, debit card, or ATM card by entering magnetic card information (acct. no. and/or PIN) (page 10 lines 1-3).
3. Card account number including PIN can be communicated by recipient to the sender (page 17, lines 23-24).
4. Recipient can access the ATM 2400 with the tethered card 2000 and implement the receipt of the transferred cash by entering that portion of the account number described as a PIN in response to the ATM prompt (page 18, lines 1-3).

While there are various methods for a recipient to access the transferred money, Applicant has added the limitation that the code used not be communicated by the sender to the recipient.

The current view of the courts is that there is nothing inherently ambiguous about a negative limitation. So long as the boundaries of the patent protection sought are set forth definitely, albeit negatively, the claim complies with the requirements of section 112, second paragraph. The CCPA has found that "while this limitation on the protection sought is expressed in terms not to be found in the original disclosure, we see no valid objection to the appellant's thus eliminating from the scope of protection sought certain materials which may possibly have been included in the original disclosure. In other words, the limitation

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has a narrowing effect rather than a broadening one and [is] permissible." Ex parte Williams, 39 USPQ 125, 127 (Pat. Off. Bd. App. 1938).

Thus, the relevant decisions generally sanction the use of negative limitations and consider these limitations definite under Section 112, second paragraph. See also MPEP §2173.05(i)(8th ed., revised February 2003).

The original application included more than one step for a recipient to get a code (PIN) for use accessing the transferred money. The amendment to the claims adding "without the use of a code provided by the sender to the recipient" adds a limitation that has a narrowing effect which is permissible and which is considered definite under Section 112, second paragraph. For these reasons Applicant requests removal of the Section 112 rejection.

Rejection under 35 USC 103:

Claims 1-6, 8-24, 26 and 27 were rejected by Examiner under 35 U.S.C. 103 as being unpatentable over Jennings et al. (US Pat. No. 5,825,003) or Ito et al. (US Pat. No. 6,039,250) in view of Stoutenburg et al. (US Pat. No. 6,502,747). Examiner alleges that Jennings or Ito disclose a method for transferring funds to a remote agent and distributing the funds to a remote site substantially as claimed in the subject application. The difference between the cited references and the claimed invention is the use of an escrow agent in the claimed invention.

Applicant respectfully disagrees with Examiner's rejection for two reasons. First, Examiner's belief that the escrow agent and those that receive the disbursements are functionally equivalent to intermediaries is not supported by the original specification and the Examiner has failed to cite a single reference to support his belief. Nor has Examiner cited

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any lines in the original specification that support this belief. In response, Applicant has submitted a Declaration traversing the rejection under 37 CFR 1.132.

Furthermore, the claims are to be interpreted according to the ordinary meaning unless a special meaning is provided in the specification. In determining the proper meaning the Examiner is required to first consider the language of the claims, the written description, and prosecution history. Examiner has failed to point to a basis for his belief and has failed to respond to Applicants argument against Examiner's belief. Clearly, the written description in the summary defines the escrow agent as "escrow agent middlemen" which is an intermediary (page 4, line 1). However, the Examiner does not stop there. Examiner further believes that the recipient is an intermediary. The recipient receives the money transfer and the transfer is complete. Clearly the recipient is not an intermediary. There is no basis anywhere in the written description for Examiner belief on which the rejection of all claims is based.

The courts have held that "prosecution history limits the interpretation of claim terms so as to exclude any interpretation that was disclaimed during prosecution", *Southwall Techs. Inc. v. Cardinal IG Co.*, 54 F.3d 1570, 1576, 34 USPQ2d 1673, 1676 (Fed Cir. 1995). The amendment filed on October 11, 2005 added the limitation "wherein said escrow agent is not the recipient" (emphasis added) to independent claims 1, 16, 18 and 27. The limitation of the claims is supported by the written description. The amendment and remarks filed on October 11, 2005 included an argument against Examiner belief. Examiner has not provided a basis for a rejection of Applicant's previous arguments and has not cited a reference with the limitation.

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Second, Jennings teaches an automated process for transferring funds between accounts which requires the recipient to have an account included in the list of recipient businesses provided by the system and the sender is further required to enter the recipient's destination account number. The transfer is made between known accounts unlike the claim 1 wherein the funds are transferred from a sender to an escrow agent where the funds are held in an escrow account.

Applicant has amended the claims to clarify that the funds are transferred from the sender account to the escrow agent account for temporarily holding the fund in the escrow agent account and then the funds are automatically transferred from the escrow agent account to a remote distribution site without (1) a pre-existing transactional relationship between the sender and the recipient and (2) disbursement is made to the recipient without a pre-existing relationship between the remote distribution site and the recipient.

Unlike claim 1, Jennings requires (1) the sender to select a recipient business from a list of available recipient businesses from the local front end processor (col. 4, lines 34-38) and (2) that the sender enter a portion of the account number of the destination account (col. 4, lines 40-44). These two steps require a pre-existing relationship between the sender and the remote distribution site and the recipient. Jennings does not teach using an escrow agent having an escrow agent account for temporarily storing the funds, instead the fund is transferred from a sender account to a recipient account.

Like Jennings, Ito teaches a transfer between a remitter (sender) and a receiptor (recipient) wherein the sender is required to provide receiptor identifying information such as an electronic mail address or other identifying information (col. 2, lines 4-6). The remitted money is electronic money, being an electronic data having the same value as cash

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(col. 3, lines 36-37). Ito is similar to Cohen and Abccassis cited by the Examiner in the first office communication dated November 29, 2004, wherein the transfer from the sender to the recipient is in response to a pre-existing relationship.

For example, as described in col. 4, lines 14-32, the recipient electronically requests a fund transfer from the sender and the sender remits the funds after a communication link is set up by an electronic money server between the sender IC card and the recipient IC card to complete a direct remittance. The electronic money server is a communication link for connecting the sender IC card and the receiver IC card over a direct link or from the sender IC card to the electronic money server IC card and from the electronic money server IC card to the receiver IC card as an indirect communication link if the direct communication link fails (col. 38-63). The funds are electronically stored data on an IC card, the electronic money server does not temporarily store the funds in an escrow account, instead the electronic data is stored on the electronic server IC card for transfer to the recipient IC card. Furthermore, the IC described by Ito is different than a magnetic strip card and is more expensive. Also, the IC card does not interface with the magnetic strip card readers commonly used at ATMs and Point of Service (POS) devices domestically and internationally.

Unlike claim 1, Ito requires (1) a pre-existing relationship between the sender account and the electronic money server (col. 1, lines 61-65), (2) a recipient identifying information (sender IC card/account to recipient IC card/account) entered by the sender (col. 2, lines 4-6), and (3) an electronic money server for establishing a communication link for the transfer of the electronic data corresponding to the funds. The intermediary is the electronic money server which is not an escrow agent with an escrow account for

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temporarily storing the transferred funds. The electronic money server executes a program for processing a transfer, directly, or indirectly, over a communication link established by the electronic money server. Unlike the subject application wherein the money funds are transferred to a safe bank escrow agent, the electronic money server of Ito charges the recipient IC card.

Applicant has further amended claims 1 and 18 to clarify that the escrow agent is a separate entity and not the recipient (page 3, line 28 to page 4, line 2) and that disbursement of the funds to the recipient completes the transaction. Claim 16 has been further amended to clarify that the transfer is completed without a pre-arrangement existing between the sender and the recipient, the sender and the escrow agent, and the recipient and the escrow agent as described on page 3, line 30 to page 4, line 2. Claim 18 has been further amended to clarify that the escrow account acts as the escrow agent between the parties to provide safety and security as described on page 3, lines 15-17. Claim 27 has been amended to clarify that the transfer is completed without a pre-arrangement existing between the recipient and the escrow agent and that disbursement of the funds to the recipient completes the transaction.

New claims 28-30 have been added to add the limitation that the steps of claim 1 are repeated for the sender to transfer a second fund to a different recipient using the same escrow agent, a different sender to transfer a second fund to the recipient using the same escrow agent, and a different sender to transfer a second fund to a different recipient using the same escrow agent, respectively. No new matter has been added.


For the reasons provided, Applicant believes that claims 1-6, 8-24 and 26-27 are allowable and requests removal of the rejection.

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In view of the foregoing considerations, it is respectfully urged that claims 1-6, 8-24 and 26-30 be allowed. Such action is respectfully requested. If the Examiner believes that an interview would be helpful, the Examiner is requested to contact the attorney at the below listed number.

Respectfully Submitted;


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